



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

## MEMORANDUM

To: Reporters and Editors  
Re: Senate passage of economic growth bill  
Da: Thursday, May 15, 2003

Tonight the Senate passed legislation authored by Sen. Chuck Grassley, chairman of the Committee on Finance, to jumpstart the economy by providing broad tax relief to individuals, families, and small businesses. The legislation also reins in unfair corporate tax loopholes. Grassley made the following comment on tonight's passage of the economic growth package.

"I'd rather put \$350 billion in taxpayers' pockets than have the money stay in Washington, where 535 members of Congress will spend it. That money will do a lot more economic good outside Washington, D.C. Today's bill brings more tax relief to individuals, families, and small businesses. This relief comes at all income levels, at all tax rates, and even gives rebates to those who don't make enough money to pay income taxes. When this bill ends up going to the President, a single mother of two children making \$20,000 a year who doesn't owe federal income taxes will also get a check of \$710 from the government this year. That's money for groceries, the electricity bill, children's shoes, and whatever else she needs to help keep her family fed and clothed.

"This package will help the economy left and right. The people receiving this tax relief might spend some of it, which boosts our consumer-driven economy. Or they might buy some stocks or open a retirement savings account. Small business owners are getting tax relief so they won't be taxed more than big corporations, even though small businesses create most jobs. That tax change, and a new incentive to invest in equipment, will encourage small businesses to create jobs. We need more jobs in this country, and we need them now.

"Today's legislation includes my amendment to increase Medicare fairness for rural, low-cost states. Keeping hospitals open and doctors in business also builds economic growth. If a community can sustain a hospital, it can sustain other businesses that employ people.

"Access to opportunity is the American dream. If any Americans are denied this dream, then Congress has to do something about it. That's the goal behind this package. We have to expand the economy and create jobs. Cleaning up bad corporate behavior is part of that. Restoring confidence in the stock market will help companies invest, expand, and create jobs. This package strikes a good balance between tax relief and corporate clean-up.

“As far as the conference, I don’t see how we can pass a final bill without help for the states. Beyond that, I’d say everything’s on the table. We have a lot of unanimity on all the income tax provisions, and we’ll work through different points of view on dividend and capital gains tax cuts.

“Regarding my agreement with Senators Snowe and Voinovich, I intend to keep my word. Remember, without that agreement we wouldn’t be talking about tax policy. We’d still be arguing about the budget. Instead we have a budget and we’re moving forward.”